



ANNUAL STATEMENT

For the Year Ended December 31, 2016
of the Condition and Affairs of the

Molina Healthcare of Michigan, Inc.

NAIC Group Code.....1531, 1531 (Current Period) (Prior Period)	NAIC Company Code..... 52630	Employer's ID Number..... 38-3341599
Organized under the Laws of MI	State of Domicile or Port of Entry MI	Country of Domicile US
Licensed as Business Type.....Health Maintenance Organization	Is HMO Federally Qualified? Yes [] No [X]	
Incorporated/Organized..... February 12, 1997	Commenced Business..... January 1, 1998	
Statutory Home Office	880 W. Long Lake Rd., Suite 600..... Troy MI US 48098-4504 (Street and Number) (City or Town, State, Country and Zip Code)	
Main Administrative Office	880 W. Long Lake Rd., Suite 600..... Troy MI US 48098-4504 (Street and Number) (City or Town, State, Country and Zip Code)	248-925-1700 (Area Code) (Telephone Number)
Mail Address	880 W. Long Lake Rd., Suite 600..... Troy MI US 48098-4504 (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)	
Primary Location of Books and Records	880 W. Long Lake Rd., Suite 600..... Troy MI US 48098-4504 (Street and Number) (City or Town, State, Country and Zip Code)	248-925-1700 (Area Code) (Telephone Number)
Internet Web Site Address	www.molinahealthcare.com	
Statutory Statement Contact	Kisha Renee Parnell (Name) kisha.parnell@molinahealthcare.com (E-Mail Address)	248-824-1310 (Area Code) (Telephone Number) (Extension) 855-502-4911 (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Christine Margaret Surdock	President	2. Stephen Blaney Whiting	Treasurer/VP Finance & Analytics
3. Jeffrey Don Barlow	Secretary	4.	

OTHER

DIRECTORS OR TRUSTEES

Christine Margaret Surdock	Matthew Carter Schueren	Scott Robert Johnson	Juan Jose Orellana
James Dwight Petty	Marissa Ann Morgan		

State of..... Michigan
County of..... Oakland

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) Christine Margaret Surdock	(Signature) Stephen Blaney Whiting	(Signature) Jeffrey Don Barlow
1. (Printed Name) President	2. (Printed Name) Treasurer/VP Finance & Analytics	3. (Printed Name) Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me	a. Is this an original filing?	Yes [X] No []
This _____ day of _____ 2017	b. If no	
	1. State the amendment number	_____
	2. Date filed	_____
	3. Number of pages attached	_____

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	92,443,226		92,443,226	74,978,803
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....153,805,801, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....158,633,784, Schedule DA).....	312,439,585		312,439,585	228,980,686
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	404,882,811	.0	404,882,811	303,959,488
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	810,026		810,026	1,347,757
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	31,021,382		31,021,382	20,491,263
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
15.3 Accrued retrospective premiums (\$.....311,826) and contracts subject to redetermination (\$.....5,855,405).....	6,167,231		6,167,231	2,089,767
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	42,555		42,555	1,511,569
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....	285,227		285,227	3,569,413
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	1,615,709
18.2 Net deferred tax asset.....	29,112,218	19,533,872	9,578,346	9,116,131
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....	648,289	648,289	.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....	4,272,418	4,272,418	.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....			.0	
24. Health care (\$.....8,871,431) and other amounts receivable.....	22,524,331	13,652,900	8,871,431	20,213,048
25. Aggregate write-ins for other-than-invested assets.....	66,814,979	51,549,514	15,265,465	12,061,684
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	566,581,467	89,656,993	476,924,474	375,975,829
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTAL (Lines 26 and 27).....	566,581,467	89,656,993	476,924,474	375,975,829
DETAILS OF WRITE-INS				
1101. ....			.0	
1102. ....			.0	
1103. ....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Prepaid Expenses/Deposits.....	92,272	92,272	.0	
2502. Intangible Assets (Goodwill/Patient Files).....	66,282,149	51,457,242	14,824,907	11,782,604
2503. State Income Tax Recoverable.....	440,558		440,558	279,080
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	66,814,979	51,549,514	15,265,465	12,061,684

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	244,319,211	79,996	244,399,207	195,262,920
2. Accrued medical incentive pool and bonus amounts.....	8,248,414		8,248,414	6,151,174
3. Unpaid claims adjustment expenses.....	2,514,097	1,509	2,515,606	2,138,362
4. Aggregate health policy reserves, including the liability of \$....189,206 for medical loss ratio rebate per the Public Health Service Act.....	17,871,102		17,871,102	14,376,926
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserves.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....	2,027,836		2,027,836	174,952
9. General expenses due or accrued.....	6,031,230		6,031,230	4,215,429
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....	1,074,450		1,074,450	
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....			0	
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....	3,038,971		3,038,971	4,693,195
16. Derivatives.....			0	
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....	3,893,329		3,893,329	
23. Aggregate write-ins for other liabilities (including \$....15,522,478 current).....	15,522,478	0	15,522,478	10,238,099
24. Total liabilities (Lines 1 to 23).....	304,541,118	81,505	304,622,623	237,251,057
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	26,300,000
26. Common capital stock.....	XXX	XXX	159,000	159,000
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	82,404,971	82,404,971
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	89,737,880	29,860,801
32. Less treasury stock at cost:				
32.1 ....0.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.2 ....0.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	172,301,851	138,724,772
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	476,924,474	375,975,829

DETAILS OF WRITE-INS

2301. Premium/Use Taxes Due.....	6,665,427		6,665,427	5,294,801
2302. Amounts Due to Government Agencies.....	8,857,051		8,857,051	4,943,298
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above).....	15,522,478	0	15,522,478	10,238,099
2501. 2016 health insurer fee accrual estimate.....	XXX	XXX		26,300,000
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	XXX	XXX	0	26,300,000
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above).....	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX.....	4,722,341.....	3,364,827.....
2. Net premium income (including \$.....0 non-health premium income).....	XXX.....	2,107,747,238.....	1,480,688,554.....
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....	(2,942,960).....	(12,754,928).....
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX.....	.....	.....
5. Risk revenue.....	XXX.....	.....	.....
6. Aggregate write-ins for other health care related revenues.....	XXX.....	.....0.....	.....0.....
7. Aggregate write-ins for other non-health revenues.....	XXX.....	.....0.....	.....0.....
8. Total revenues (Lines 2 to 7).....	XXX.....	2,104,804,278.....	1,467,933,626.....
Hospital and Medical:			
9. Hospital/medical benefits.....	.....	1,230,323,699.....	804,173,146.....
10. Other professional services.....	.....	55,612,035.....	38,768,256.....
11. Outside referrals.....	958,362.....	77,330,617.....	65,910,442.....
12. Emergency room and out-of-area.....	.....	141,242,305.....	97,332,587.....
13. Prescription drugs.....	.....	213,209,683.....	145,525,251.....
14. Aggregate write-ins for other hospital and medical.....	.....0.....	.....0.....	.....0.....
15. Incentive pool, withhold adjustments and bonus amounts.....	.....	11,449,764.....	8,895,501.....
16. Subtotal (Lines 9 to 15).....	958,362.....	1,729,168,103.....	1,160,605,183.....
Less:			
17. Net reinsurance recoveries.....	.....	95,545.....	1,997,532.....
18. Total hospital and medical (Lines 16 minus 17).....	958,362.....	1,729,072,558.....	1,158,607,651.....
19. Non-health claims (net).....	.....	.....	.....
20. Claims adjustment expenses, including \$....46,506,897 cost containment expenses.....	.....	52,515,212.....	36,101,448.....
21. General administrative expenses.....	.....	262,203,765.....	181,299,966.....
22. Increase in reserves for life and accident and health contracts including \$.....0 increase in reserves for life only).....	.....	.....	.....
23. Total underwriting deductions (Lines 18 through 22).....	958,362.....	2,043,791,535.....	1,376,009,065.....
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	61,012,743.....	91,924,561.....
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	.....	2,778,138.....	1,219,252.....
26. Net realized capital gains or (losses) less capital gains tax of \$....7,187.....	.....	13,346.....	4,242.....
27. Net investment gains or (losses) (Lines 25 plus 26).....	.....0.....	2,791,484.....	1,223,494.....
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....	.....	.....	.....
29. Aggregate write-ins for other income or expenses.....	.....0.....	.....0.....	.....0.....
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX.....	63,804,227.....	93,148,055.....
31. Federal and foreign income taxes incurred.....	XXX.....	32,879,972.....	39,383,431.....
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	30,924,255.....	53,764,624.....

DETAILS OF WRITE-INS			
0601.	XXX.....	.....	.....
0602.	XXX.....	.....	.....
0603.	XXX.....	.....	.....
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX.....	.....0.....	.....0.....
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX.....	.....0.....	.....0.....
0701.	XXX.....	.....	.....
0702.	XXX.....	.....	.....
0703.	XXX.....	.....	.....
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX.....	.....0.....	.....0.....
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX.....	.....0.....	.....0.....
1401. ....	.....	.....	.....
1402. ....	.....	.....	.....
1403. ....	.....	.....	.....
1498. Summary of remaining write-ins for Line 14 from overflow page.....	.....0.....	.....0.....	.....0.....
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	.....0.....	.....0.....	.....0.....
2901. ....	.....	.....	.....
2902. ....	.....	.....	.....
2903. ....	.....	.....	.....
2998. Summary of remaining write-ins for Line 29 from overflow page.....	.....0.....	.....0.....	.....0.....
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	.....0.....	.....0.....	.....0.....

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period.....	.....138,724,772	.....125,130,515
34. Net income or (loss) from Line 32.....	.....30,924,255	.....53,764,624
35. Change in valuation basis of aggregate policy and claim reserves.....	.....	.....
36. Change in net unrealized capital gains and (losses) less capital gains tax of \$149.....	.....276	.....47
37. Change in net unrealized foreign exchange capital gain or (loss).....	.....	.....
38. Change in net deferred income tax.....	.....754,654	.....22,764,174
39. Change in nonadmitted assets.....	.....1,897,894	.....(82,934,588)
40. Change in unauthorized and certified reinsurance.....	.....	.....
41. Change in treasury stock.....	.....	.....
42. Change in surplus notes.....	.....	.....
43. Cumulative effect of changes in accounting principles.....	.....	.....
44. Capital changes:		
44.1 Paid in.....	.....	.....
44.2 Transferred from surplus (Stock Dividend).....	.....	.....
44.3 Transferred to surplus.....	.....	.....
45. Surplus adjustments:		
45.1 Paid in.....	.....	.....20,000,000
45.2 Transferred to capital (Stock Dividend).....	.....	.....
45.3 Transferred from capital.....	.....	.....
46. Dividends to stockholders.....	.....	.....
47. Aggregate write-ins for gains or (losses) in surplus.....	.....0	.....0
48. Net change in capital and surplus (Lines 34 to 47).....	.....33,577,079	.....13,594,257
49. Capital and surplus end of reporting period (Line 33 plus 48).....	.....172,301,851	.....138,724,772

DETAILS OF WRITE-INS		
4701. ....	.....	.....
4702. ....	.....	.....
4703. ....	.....	.....
4798. Summary of remaining write-ins for Line 47 from overflow page.....	.....0	.....0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above).....	.....0	.....0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	2,095,544,065	1,470,290,826
2. Net investment income.....	4,235,912	1,379,887
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	2,099,779,977	1,471,670,713
5. Benefit and loss related payments.....	1,684,948,698	1,082,309,907
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	309,736,891	213,640,192
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....7,187 tax on capital gains (losses).....	30,197,000	38,814,000
10. Total (Lines 5 through 9).....	2,024,882,589	1,334,764,099
11. Net cash from operations (Line 4 minus Line 10).....	74,897,388	136,906,614
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	52,265,024	52,983,839
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	2,847	
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	52,267,871	52,983,839
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	70,631,377	66,470,109
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	70,631,377	66,470,109
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(18,363,506)	(13,486,270)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		20,000,000
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	26,925,017	(82,239,100)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	26,925,017	(62,239,100)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	83,458,899	61,181,244
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	228,980,686	167,799,442
19.2 End of year (Line 18 plus Line 19.1).....	312,439,585	228,980,686

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

		1	2	3	4
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1 + 2 - 3)
1.	Comprehensive (hospital and medical).....	10,091,845		93,532	9,998,313
2.	Medicare supplement.....				.0
3.	Dental only.....				.0
4.	Vision only.....				.0
5.	Federal employees health benefits plan.....				.0
6.	Title XVIII - Medicare.....	288,467,635		38,507	288,429,128
7.	Title XIX - Medicaid.....	1,809,779,007		459,210	1,809,319,797
8.	Other health.....				.0
9.	Health subtotal (Lines 1 through 8).....	2,108,338,487	0	591,249	2,107,747,238
10.	Life.....				.0
11.	Property/casualty.....				.0
12.	Totals (Lines 9 to 11).....	2,108,338,487	0	591,249	2,107,747,238

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct.....	1,677,226,043	6,142,742					234,376,823	1,436,706,478		
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	1,629,867	96,544						1,533,323		
1.4 Net.....	1,675,596,176	6,046,198	0	0	0	0	234,376,823	1,435,173,155	0	0
2. Paid medical incentive pools and bonuses.....	9,352,524	51,683					1,724,072	7,576,769		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct.....	244,399,207	1,122,446					41,607,462	201,669,299		
3.2 Reinsurance assumed.....	0									
3.3 Reinsurance ceded.....	0									
3.4 Net.....	244,399,207	1,122,446	0	0	0	0	41,607,462	201,669,299	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct.....	0									
4.2 Reinsurance assumed.....	0									
4.3 Reinsurance ceded.....	0									
4.4 Net.....	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year.....	8,248,414						854,073	7,394,341		
6. Net healthcare receivables (a).....	8,578,680	166,243					6,050,231	2,362,206		
7. Amounts recoverable from reinsurers December 31, current year.....	42,555	42,555								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct.....	195,328,228	879,857					31,270,344	163,178,027		
8.2 Reinsurance assumed.....	0									
8.3 Reinsurance ceded.....	65,308	65,308								
8.4 Net.....	195,262,920	814,549	0	0	0	0	31,270,344	163,178,027	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct.....	0									
9.2 Reinsurance assumed.....	0									
9.3 Reinsurance ceded.....	0									
9.4 Net.....	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year.....	6,151,174						2,483,680	3,667,494		
11. Amounts recoverable from reinsurers December 31, prior year.....	1,511,569	71,569						1,440,000		
12. Incurred benefits:										
12.1 Direct.....	1,717,718,342	6,219,088	0	0	0	0	238,663,710	1,472,835,544	0	0
12.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded.....	95,545	2,222	0	0	0	0	0	93,323	0	0
12.4 Net.....	1,717,622,797	6,216,866	0	0	0	0	238,663,710	1,472,742,221	0	0
13. Incurred medical incentive pools and bonuses.....	11,449,764	51,683	0	0	0	0	94,465	11,303,616	0	0

(a) Excludes \$.0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Medical and Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct.....	111,072,127	164,599					6,148,986	104,758,542		
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	0									
1.4 Net.....	111,072,127	164,599	0	0	0	0	6,148,986	104,758,542	0	0
2. Incurred but unreported:										
2.1 Direct.....	133,327,080	957,847					35,458,476	96,910,757		
2.2 Reinsurance assumed.....	0									
2.3 Reinsurance ceded.....	0									
2.4 Net.....	133,327,080	957,847	0	0	0	0	35,458,476	96,910,757	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct.....	0									
3.2 Reinsurance assumed.....	0									
3.3 Reinsurance ceded.....	0									
3.4 Net.....	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct.....	244,399,207	1,122,446	0	0	0	0	41,607,462	201,669,299	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
4.4 Net.....	244,399,207	1,122,446	0	0	0	0	41,607,462	201,669,299	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical).....	628,425	5,446,787	(10,383)	1,132,829	618,042	814,549
2. Medicare supplement.....					0	
3. Dental only.....					0	
4. Vision only.....					0	
5. Federal employees health benefits plan.....					0	
6. Title XVIII - Medicare.....	20,879,491	213,497,332	192,822	41,414,640	21,072,313	31,270,343
7. Title XIX - Medicaid.....	135,455,101	1,301,158,054	13,144,835	188,524,464	148,599,936	163,178,031
8. Other health.....					0	
9. Health subtotal (Lines 1 to 8).....	156,963,017	1,520,102,173	13,327,274	231,071,933	170,290,291	195,262,923
10. Healthcare receivables (a).....	610,640	20,436,433		1,477,259	610,640	13,945,650
11. Other non-health.....					0	
12. Medical incentive pools and bonus amounts.....	6,151,174	3,201,350	2,317,088	5,931,326	8,468,262	6,151,174
13. Totals (Lines 9 - 10 + 11 + 12).....	162,503,551	1,502,867,090	15,644,362	235,526,000	178,147,913	187,468,447

(a) Excludes \$.00 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	72,774	72,774	72,774	72,774	72,774
2. 2012.....	649,847	724,542	724,542	724,542	724,542
3. 2013.....	XXX	672,843	745,643	745,643	745,643
4. 2014.....	XXX	XXX	753,906	856,460	856,460
5. 2015.....	XXX	XXX	XXX	972,074	1,129,036
6. 2016.....	XXX	XXX	XXX	XXX	1,520,102

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	72,774	72,774	72,774	72,774	72,774
2. 2012.....	735,455	724,863	724,863	724,863	724,863
3. 2013.....	XXX	755,748	745,831	745,831	745,831
4. 2014.....	XXX	XXX	869,797	863,392	863,392
5. 2015.....	XXX	XXX	XXX	1,166,557	1,142,364
6. 2016.....	XXX	XXX	XXX	XXX	1,759,423

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2012.....	841,179	724,542	22,358	3.1	746,900	88.8			746,900	88.8
2. 2013.....	883,385	745,643	22,354	3.0	767,997	86.9			767,997	86.9
3. 2014.....	1,059,675	856,460	24,732	2.9	881,192	83.2			881,192	83.2
4. 2015.....	1,468,184	1,129,036	36,101	3.2	1,165,137	79.4	13,328	33	1,178,498	80.3
5. 2016.....	2,105,396	1,520,102	52,515	3.5	1,572,617	74.7	239,321	2,483	1,814,421	86.2

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	104	104	104	104	104
2. 2012.....	642	779	779	779	779
3. 2013.....	XXX	1,033	1,257	1,257	1,257
4. 2014.....	XXX	XXX	3,259	3,636	3,636
5. 2015.....	XXX	XXX	XXX	6,713	7,341
6. 2016.....	XXX	XXX	XXX	XXX	5,447

SECTION B - INCURRED HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	104	104	104	104	104
2. 2012.....	743	779	779	779	779
3. 2013.....	XXX	1,367	1,258	1,258	1,258
4. 2014.....	XXX	XXX	3,725	3,669	3,669
5. 2015.....	XXX	XXX	XXX	7,495	7,331
6. 2016.....	XXX	XXX	XXX	XXX	6,580

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - HOSPITAL AND MEDICAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2012.....	1,155	779	28	3.6	807	69.9			807	69.9
2. 2013.....	2,569	1,257	84	6.7	1,341	52.2			1,341	52.2
3. 2014.....	7,521	3,636	216	5.9	3,852	51.2			3,852	51.2
4. 2015.....	14,700	7,341	487	6.6	7,828	53.3	(10)		7,818	53.2
5. 2016.....	9,996	5,447	267	4.9	5,714	57.2	1,133	18	6,865	68.7

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	19,123	19,123	19,123	19,123	19,123
2. 2012.....	95,724	118,305	118,305	118,305	118,305
3. 2013.....	XXX	109,517	123,140	123,140	123,140
4. 2014.....	XXX	XXX	149,000	167,938	167,938
5. 2015.....	XXX	XXX	XXX	165,572	186,451
6. 2016.....	XXX	XXX	XXX	XXX	213,497

SECTION B - INCURRED HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	19,123	19,123	19,123	19,123	19,123
2. 2012.....	116,988	118,440	118,440	118,440	118,440
3. 2013.....	XXX	130,715	123,330	123,330	123,330
4. 2014.....	XXX	XXX	168,609	168,802	168,802
5. 2015.....	XXX	XXX	XXX	198,462	186,644
6. 2016.....	XXX	XXX	XXX	XXX	255,766

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XVIII - MEDICARE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2012.....	144,719	118,305	2,002	1.7	120,307	83.1			120,307	83.1
2. 2013.....	153,800	123,140	4,247	3.4	127,387	82.8			127,387	82.8
3. 2014.....	173,222	167,938	4,558	2.7	172,496	99.6			172,496	99.6
4. 2015.....	222,434	186,451	4,672	2.5	191,123	85.9	193	4	191,320	86.0
5. 2016.....	285,102	213,497	12,390	5.8	225,887	79.2	42,269	665	268,821	94.3

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XIX - MEDICAID

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	53,547	53,547	53,547	53,547	53,547
2. 2012.....	553,481	605,458	605,458	605,458	605,458
3. 2013.....	XXX	562,293	621,246	621,246	621,246
4. 2014.....	XXX	XXX	601,647	684,886	684,886
5. 2015.....	XXX	XXX	XXX	799,789	935,244
6. 2016.....	XXX	XXX	XXX	XXX	1,301,158

SECTION B - INCURRED HEALTH CLAIMS - TITLE XIX - MEDICAID

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	53,547	53,547	53,547	53,547	53,547
2. 2012.....	617,724	605,644	605,644	605,644	605,644
3. 2013.....	XXX	623,666	621,243	621,243	621,243
4. 2014.....	XXX	XXX	697,463	690,921	690,921
5. 2015.....	XXX	XXX	XXX	960,600	948,389
6. 2016.....	XXX	XXX	XXX	XXX	1,497,077

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XIX - MEDICAID

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2012.....	695,305	605,458	20,328	3.4	625,786	90.0			625,786	90.0
2. 2013.....	727,016	621,246	18,023	2.9	639,269	87.9			639,269	87.9
3. 2014.....	878,932	684,886	19,958	2.9	704,844	80.2			704,844	80.2
4. 2015.....	1,231,050	935,244	30,942	3.3	966,186	78.5	13,145	29	979,360	79.6
5. 2016.....	1,810,298	1,301,158	39,858	3.1	1,341,016	74.1	195,919	1,800	1,538,735	85.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - OTHER

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	NONE				
2. 2012.....					
3. 2013.....		XXX			
4. 2014.....		XXX	XXX		
5. 2015.....		XXX	XXX	XXX	
6. 2016.....		XXX	XXX	XXX	XXX

SECTION B - INCURRED HEALTH CLAIMS - OTHER

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior.....	NONE				
2. 2012.....					
3. 2013.....		XXX			
4. 2014.....		XXX	XXX		
5. 2015.....		XXX	XXX	XXX	
6. 2016.....		XXX	XXX	XXX	XXX

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - OTHER

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 3 + Col. 4)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2012.....				0.0	0	0.0			0	0.0
2. 2013.....				0.0	0	0.0			0	0.0
3. 2014.....				0.0	0	0.0			0	0.0
4. 2015.....				0.0	0	0.0			0	0.0
5. 2016.....				0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	0								
2. Additional policy reserves (a).....	0								
3. Reserve for future contingent benefits.....	0								
4. Reserve for rate credits or experience rating refunds (including \$.0) for investment income.....	16,691,061	734,659					7,855,963	8,100,439	
5. Aggregate write-ins for other policy reserves.....	1,180,041	1,180,041	0	0	0	0	0	0	0
6. Totals (gross).....	17,871,102	1,914,700	0	0	0	0	7,855,963	8,100,439	0
7. Reinsurance ceded.....	0								
8. Totals (net) (Page 3, Line 4).....	17,871,102	1,914,700	0	0	0	0	7,855,963	8,100,439	0
9. Present value of amounts not yet due on claims.....	0								
10. Reserve for future contingent benefits.....	0								
11. Aggregate write-ins for other claim reserves.....	0	0	0	0	0	0	0	0	0
12. Totals (gross).....	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded.....	0								
14. Totals (net) (Page 3, Line 7).....	0	0	0	0	0	0	0	0	0

DETAILS OF WRITE-INS

0501. Risk adjustment liabilities.....	1,180,041	1,180,041							
0502.	0								
0503.	0								
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	1,180,041	1,180,041	0	0	0	0	0	0	0
1101.	0								
1102.	0								
1103.	0								
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0	0	0	0	0	0

(a) Includes \$.0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building).....			4,264,936		4,264,936
2. Salaries, wages and other benefits.....	34,687,258	1,493,989	46,127,759		82,309,006
3. Commissions (less \$.....0 ceded plus \$.....0 assumed).....			593,173		593,173
4. Legal fees and expenses.....			1,199,132		1,199,132
5. Certifications and accreditation fees.....	16,950		6,274		23,224
6. Auditing, actuarial and other consulting services.....	467,192	77,439	11,778,742		12,323,373
7. Traveling expenses.....	537,639	2,843	1,049,335		1,589,817
8. Marketing and advertising.....	1,413,813		2,150,547		3,564,360
9. Postage, express and telephone.....	172,398	490	3,096,114		3,269,002
10. Printing and office supplies.....	32,387	3,823	3,142,856		3,179,066
11. Occupancy, depreciation and amortization.....			19,027,575		19,027,575
12. Equipment.....	14		280,081		280,095
13. Cost or depreciation of EDP equipment and software.....	230,783	98	7,146,558		7,377,439
14. Outsourced services including EDP, claims, and other services.....	6,526,562	4,331,707	7,854,538		18,712,807
15. Boards, bureaus and association fees.....	13,681		269,159		282,840
16. Insurance, except on real estate.....			387,392		387,392
17. Collection and bank service charges.....			103,243		103,243
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....			360,975		360,975
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....			2,988,522		2,988,522
23.2 State premium taxes.....			113,356,575		113,356,575
23.3 Regulatory authority licenses and fees.....	16,995		27,183,996		27,200,991
23.4 Payroll taxes.....	2,390,208	97,926	2,825,117		5,313,251
23.5 Other (excluding federal income and real estate taxes).....			6,010		6,010
24. Investment expenses not included elsewhere.....				7,754	7,754
25. Aggregate write-ins for expenses.....	1,017	0	7,005,156	0	7,006,173
26. Total expenses incurred (Lines 1 to 25).....	46,506,897	6,008,315	262,203,765	7,754	(a).....314,726,731
27. Less expenses unpaid December 31, current year.....		2,515,606	6,031,230		8,546,836
28. Add expenses unpaid December 31, prior year.....		2,138,362	4,215,429		6,353,791
29. Amounts receivable relating to uninsured plans, prior year.....			3,569,413		3,569,413
30. Amounts receivable relating to uninsured plans, current year.....			285,227		285,227
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30).....	46,506,897	5,631,071	257,103,778	7,754	309,249,500

DETAILS OF WRITE-INS

2501. Charitable contributions.....	1,017		3,908		4,925
2502. Borrowing costs.....			6,398,639		6,398,639
2503. Other administrative expenses.....			602,609		602,609
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above).....	1,017	0	7,005,156	0	7,006,173

(a) Includes management fees of \$....98,024,372 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....	.....
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....984,660	.....989,004
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....2,339,022	.....1,796,888
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....3,323,682	.....2,785,892
11. Investment expenses.....	.....	(g).....7,754
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....7,754
17. Net investment income (Line 10 minus Line 16).....	.....	.....2,778,138

DETAILS OF WRITE-INS		
0901. ....	.....	.....
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	.....0
(a) Includes \$.....1,548 accrual of discount less \$.....921,588 amortization of premium and less \$.....163,514 paid for accrued interest on purchases.	.....	.....
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.	.....	.....
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.	.....	.....
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.	.....	.....
(e) Includes \$.....691,074 accrual of discount less \$.....968,702 amortization of premium and less \$.....159,937 paid for accrued interest on purchases.	.....	.....
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.	.....	.....
(g) Includes \$.....7,754 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.	.....	.....
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.	.....	.....
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.	.....	.....

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....	.....	.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....	.....	.....0	.....	.....
1.2 Other bonds (unaffiliated).....	.....17,685	.....	.....17,685	.....425	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....2,847	.....	.....2,847	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....	.....	.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....20,532	.....0	.....20,532	.....425	.....0

DETAILS OF WRITE-INS					
0901. ....	.....	.....	.....0	.....	.....
0902. ....	.....	.....	.....0	.....	.....
0903. ....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page...	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....		312	312
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....	19,533,872	19,241,583	(292,289)
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....	648,289	6,120	(642,169)
21. Furniture and equipment, including health care delivery assets.....	4,272,418	3,804,106	(468,312)
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....	13,652,900	7,366,102	(6,286,798)
25. Aggregate write-ins for other-than-invested assets.....	51,549,514	61,136,664	9,587,150
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	89,656,993	91,554,887	1,897,894
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	89,656,993	91,554,887	1,897,894

DETAILS OF WRITE-INS

1101.			0
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Prepaid Expenses/Deposits.....	92,272	27,471,565	27,379,293
2502. Intangible Assets (Goodwill/Patient Files).....	51,457,242	33,665,099	(17,792,143)
2503.			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	51,549,514	61,136,664	9,587,150

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health maintenance organizations.....	327,904	399,244	392,909	386,864	391,148	4,722,341
2. Provider service organizations.....						
3. Preferred provider organizations.....						
4. Point of service.....						
5. Indemnity only.....						
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total.....	327,904	399,244	392,909	386,864	391,148	4,722,341

DETAILS OF WRITE-INS

0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

Molina Healthcare of Michigan, Inc. (the “Plan”) is a wholly owned subsidiary of Molina Healthcare, Inc. (“Molina”). The financial statements of the Plan are presented on the basis of accounting practices prescribed or permitted by the State of Michigan, Department of Insurance and Financial Services (the “Department”).

The Department recognizes only statutory accounting practices prescribed or permitted by the state of Michigan for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Michigan insurance law. The National Association of Insurance Commissioners’ *Accounting Practices and Procedures Manual* (“NAIC SAP” or the “Manual”) has been adopted as a component of prescribed or permitted practices by the state of Michigan.

The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. Specifically,

Citation adopting the Manual:		
Commissioner Orders 15-045-M, 15-046-M and 15-047-M		
SSAP or Appendices	State Law or Regulation	Description
Appendix C	Commissioner Order	Actuarial Guideline XXXV not adopted
SSAP No. 84	Commissioner Order	Loans and advances to hospitals and other providers are not permitted for HMOs, Limited Health Service Organizations, Dental Service Corporations

Such prescribed accounting practices have no significant effect on the Plan’s statutory basis financial statements for the periods presented.

	SSAP #	F/S Page	F/S Line #	2016	2015
NET INCOME					
(1) Molina Healthcare of Michigan, Inc. state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 30,924,255	\$ 53,764,624
(2) State Prescribed Practices that increase/decrease NAIC SAP					
(3) State Permitted Practices that increase/decrease NAIC SAP					
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 30,924,255	\$ 53,764,624
SURPLUS					
(5) Molina Healthcare of Michigan, Inc. state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 172,301,851	\$ 138,724,772
(6) State Prescribed Practices that increase/decrease NAIC SAP					
(7) State Permitted Practices that increase/decrease NAIC SAP					
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 172,301,851	\$ 138,724,772

B. Use of Estimates in the Preparation of the Financial Statement

The preparation of financial statements in conformity with the NAIC SAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses in the period. Actual results could differ from those estimates.

C. Accounting Policy

Revenue Recognition: The Plan arranges for the provision of health care services to Medicaid and Medicare recipients under contracts with the state of Michigan and the Centers for Medicare and Medicaid Services (“CMS”). The Plan also serves members through the Health Insurance Marketplace (“Marketplace”). Premium revenue is recognized in the month that members are entitled to receive health care services, and is fixed in advance of the periods covered. Premiums received in advance are deferred. Generally, premium revenue is not subject to significant accounting estimates except as described below and in Note 24.

Medical Cost Floors and Corridors: Sanctions may be levied by the state if the amounts spent on medical care costs as a percentage of premiums are not within a specified range. These sanctions include the requirements to file a corrective action plan as well as an auto assignment freeze. Further, for certain Medicaid premiums, amounts may be returned to the state if certain minimum amounts are not spent on defined medical care costs, or the Plan may receive additional premiums if amounts spent on medical care costs exceed a defined maximum threshold.

The Plan may be required to return a portion of Medicare and Marketplace premiums if certain minimum amounts are not spent on defined medical care costs in accordance with requirements established by the Federal government.

Quality Incentive Premiums: Under the Plan’s contract with the Michigan Department of Community Health (MDCH), 1% of premiums are withheld and paid to the Plan subject to certain performance bonus measures being met.

Recognition of Medical Care Costs: Medical care costs include primarily fee-for-services expenses. Nearly all hospital services and the majority of the Plan’s primary care and physician specialist services are paid on a fee-for-service basis. Under fee-for-service arrangements, the Plan retains the financial responsibility for medical care provided and incurs costs based on actual utilization of services. Such expenses are recorded in the period in which the related services are dispensed. Medical care costs include amounts that have been paid by the Plan through the reporting date, as well as estimated liabilities for medical care costs incurred but not paid by the Plan as of the reporting date. Refer to Note 25 for further information.

NOTES TO FINANCIAL STATEMENTS

In addition, the Plan applies the following accounting policies:

- (1) Short-term investments consist primarily of money market funds and investments in corporate debt securities with maturity dates of less than one year from the date of issuance. Realized capital gains and losses are determined using the specific-identification method.
- (2) Investments in bonds: Bonds not backed by other loans are principally stated at amortized cost using the scientific method. Changes in admitted asset carrying amounts of bonds are credited or charged directly to unassigned surplus.
- (3) Investments in common stock: None.
- (4) Investments in preferred stock: None.
- (5) Investments in mortgage loans: None.
- (6) Investments in loan-backed securities: None.
- (7) Investments in subsidiaries, controlled or affiliated companies: None.
- (8) Investments in joint ventures, partnerships and limited liability companies: None.
- (9) Investments in derivatives: None.
- (10) Premium deficiency calculation: The Plan anticipates investment income as a factor in the premium deficiency calculation, in accordance with Statement of Statutory Accounting Principles ("SSAP") No. 54, *Individual and Group Accident and Health Contracts*.
- (11) Claims unpaid and claims adjustment expenses: Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- (12) Capitalization policy: No change from prior period.
- (13) Pharmacy rebate receivables: Amounts receivable for pharmacy rebates are estimated based upon billed amounts to pharmaceutical companies, utilization data, historical collection trends and the Plan's judgment regarding the ability to collect specific amounts. Income from pharmacy rebates is reported as a reduction of hospital and medical expense in the statement of revenue and expenses. The Plan admits estimated pharmacy rebate receivables relating to the three months immediately preceding the reporting date in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans*.

D. Going Concern

Not applicable.

Note 2 – Accounting Changes and Corrections of Errors

There were no accounting changes or corrections of errors during the year ended December 31, 2016.

Note 3 – Business Combinations and Goodwill

A. Statutory Purchase Method

- (1) On September 1, 2015, the Plan closed on its acquisition of the Medicaid and MICHild contracts, and certain provider agreements, of HealthPlus of Michigan and its subsidiary, HealthPlus Partners, Inc. The Plan added approximately 68,000 members as a result of this transaction.

On January 1, 2016, the Plan closed on its acquisition of the Medicaid and MICHild membership, and certain Medicaid and MICHild assets, of HAP Midwest Health Plan, Inc. The Plan added approximately 68,000 Medicaid and MICHild members as a result of this acquisition.
- (2) This transaction was accounted for as a statutory purchase.
- (3) The cost of each acquisition and the resulting amount of goodwill are listed in the table below (in millions):

Acquisition Name	Cost of Acquisition	Goodwill
HealthPlus of Michigan	\$ 47.4	\$ 27.3
HAP Midwest Health Plan, Inc.	30.5	24.6

- (4) Goodwill amortization for each of the acquisitions for the period ended December 31, 2016 are listed in the table below:

Acquisition Name	Goodwill Amortization for the period ended December 31, 2016
HealthPlus of Michigan	\$ 2,731,485
HAP Midwest Health Plan, Inc.	2,252,736

B. Statutory Merger: None.

C. Assumption Reinsurance: None.

NOTES TO FINANCIAL STATEMENTS

D. Impairment Loss: None.

Note 4 – Discontinued Operations

Not applicable.

Note 5 – Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans: None.
- B. Debt Restructuring: None.
- C. Reverse Mortgages: None.
- D. Loan-Backed Securities: None.
- E. Repurchase Agreements and/or Securities Lending Transactions: None.
- F. Real Estate: None.
- G. Investments in Low-Income Housing Trade Credits (LIHTC): None.
- H. Restricted Assets

(1) Restricted Assets (Including Pledged)

	1	2	3	4	5	6	7
Restricted Asset Category	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase (Decrease) (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Admitted Restricted (1 minus 4)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Additional Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown							
b. Collateral held under security lending arrangements							
c. Subject to repurchase agreements							
d. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							
f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock							
i. FHLB capital stock							
j. On deposit with states	1,014,052	1,013,991	61		1,014,052	0.179	0.213
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding agreements)							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total Restricted Assets	\$ 1,014,052	\$ 1,013,991	\$ 61	\$	\$ 1,014,052	\$ 0.179	\$ 0.213

(a) Column 1 divided by Asset Page, Column 1, Line 28

(b) Column 5 divided by Asset Page, Column 3, Line 28

- (2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate): None.
- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate): None.
- (4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements:

- I. Working Capital Finance Investments: None.
- J. Offsetting and Netting of Assets and Liabilities: None.
- K. Structured Notes: None.
- L. 5* Securities: None

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

None.

NOTES TO FINANCIAL STATEMENTS

Note 7 – Investment Income

The Plan had no investment income that was excluded in 2016 or 2015. All of the Plan's investments and the income derived from such investments meet the criteria for admitted receivables.

Note 8 – Derivative Instruments

None.

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2016			2015			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$ 29,112,218	\$	\$ 29,112,218	\$ 28,357,565	\$ 149	\$ 28,357,714	\$ 754,653	\$ (149)	\$ 754,504
b. Statutory valuation allowance adjustment									
c. Adjusted gross deferred tax assets (1a-1b)	29,112,218		29,112,218	28,357,565	149	28,357,714	754,653	(149)	754,504
d. Deferred tax assets nonadmitted	19,533,872		19,533,872	19,241,434	149	19,241,583	292,438	(149)	292,289
e. Subtotal net admitted deferred tax asset (1c-1d)	9,578,346		9,578,346	9,116,131		9,116,131	462,215		462,215
f. Deferred tax liabilities									
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 9,578,346	\$	\$ 9,578,346	\$ 9,116,131	\$	\$ 9,116,131	\$ 462,215	\$	\$ 462,215

2. Admission Calculation Components

	2016			2015			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 7,679,988	\$	\$ 7,679,988	\$ 7,454,664	\$	\$ 7,454,664	\$ 225,324	\$	\$ 225,324
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:	1,898,359		1,898,359	1,661,468		1,661,468	236,891		236,891
Adjusted gross deferred tax assets expected to be realized following the balance sheet date	1,898,359		1,898,359	1,661,468		1,661,468	236,891		236,891
Adjusted gross deferred tax assets allowed per limitation threshold			22,184,790			17,673,906			4,510,884
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax									

NOTES TO FINANCIAL STATEMENTS

liabilities									
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	\$ 9,578,347	\$	\$ 9,578,347	\$ 9,116,132	\$	\$ 9,116,132	\$ 462,215	\$	\$ 462,215

3. Other Admissibility Criteria

		2016	2015
a. Ratio percentage used to determine recovery period and threshold limitation amount		324.158%	382.300%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above		\$ 162,723,505	\$ 129,608,641

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	12/31/2016		12/31/2015		Change	
	1	2	3	4	5	6
	Ordinary	Capital	Ordinary	Capital	(Col. 1-3) Ordinary	(Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 29,112,218	\$	\$ 28,357,565	\$ 149	\$ 754,653	\$ (149)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 9,578,346	\$	\$ 9,116,131	\$	\$ 462,215	\$
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Does the Plan's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized: None

C. Current and Deferred Income Taxes

1. Current Income Tax

	1	2	3
	2016	2015	(Col 1-2) Change
a. Federal	\$ 32,905,766	\$ 39,407,784	\$ (6,502,018)
b. Foreign			
c. Subtotal	\$ 32,905,766	\$ 39,407,784	\$ (6,502,018)
d. Federal income tax on net capital gains	7,187	2,284	4,903
e. Utilization of capital loss carry-forwards			
f. Other	(25,794)	(24,353)	(1,441)
g. Federal and Foreign income taxes incurred	\$ 32,887,159	\$ 39,385,715	\$ (6,498,556)

2. Deferred Tax Assets

	1	2	3
	2016	2015	(Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	\$ 688,399	\$ 597,976	\$ 90,423
2. Unearned premium reserve	666,949	13,008	653,941
3. Policyholder reserves			
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			
7. Fixed assets	22,262,359	24,218,229	(1,955,870)
8. Compensation and benefits accrual	349,344		47,841

NOTES TO FINANCIAL STATEMENTS

		301,503	
9. Pension accrual			
10. Receivables - nonadmitted	4,778,515	2,578,245	2,200,270
11. Net operating loss carry-forward	2,673	29,908	(27,235)
12. Tax credit carry-forward			
13. Other (including items <5% of total ordinary tax assets)	363,979	618,696	(254,717)
99. Subtotal	\$ 29,112,218	\$ 28,357,565	\$ 754,653
b. Statutory valuation allowance adjustment			
c. Nonadmitted	19,533,872	19,241,434	292,438
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ 9,578,346	\$ 9,116,131	\$ 462,215
e. Capital:			
1. Investments	\$	\$ 149	\$ (149)
2. Net capital loss carry-forward			
3. Real estate			
4. Other (including items <5% of total capital tax assets)			
99. Subtotal	\$	\$ 149	\$ (149)
f. Statutory valuation allowance adjustment			
g. Nonadmitted		149	(149)
h. Admitted capital deferred tax assets (2e99-2f-2g)			
i. Admitted deferred tax assets (2d+2h)	\$ 9,578,346	\$ 9,116,131	\$ 462,215

3. Deferred Tax Liabilities

	1	2	3
	2016	2015	(Col 1–2) Change
a. Ordinary:			
1. Investments	\$	\$	\$
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (including items <5% of total ordinary tax liabilities)			
99. Subtotal	\$	\$	\$
b. Capital:			
1. Investments	\$	\$	\$
2. Real estate			
3. Other (including items <5% of total capital tax liabilities)			
99. Subtotal			
c. Deferred tax liabilities (3a99+3b99)	\$	\$	\$

4. Net Deferred Tax Assets (2i – 3c)	\$ 9,578,346	\$ 9,116,131	\$ 462,215
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The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the change in nonadmitted assets is reported separately from the change in deferred income taxes in the surplus section of the Annual Statement):

	12/31/2016	12/31/2015	Change
Total deferred tax assets	\$ 29,112,218	\$ 28,357,714	\$ 754,504
Total deferred tax liabilities	-	-	-
Net deferred tax asset (liability)	\$ 29,112,218	\$ 28,357,714	\$ 754,504
Tax effect of unrealized (gains)/losses			149
Change in net deferred income tax assets - increase (decrease)			\$ 754,653

The Plan is subject to taxation in the United States and the state of Michigan. The Plan is currently under exam by the Internal Revenue Service for tax year 2011. With few exceptions, the Plan is no longer subject to U.S. federal, state, or local tax examination for the tax years before 2011.

D. The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory federal tax rate to income before income taxes. The significant items causing this difference are as follows:

NOTES TO FINANCIAL STATEMENTS

	Tax Effect	Effective Tax Rate (%)
Taxes on income at federal statutory tax rate	\$ 22,333,993	35.00%
Changes in nonadmitted assets	767,085	1.20%
Health insurance providers fee	9,110,646	14.28%
Other	(79,218)	-0.12%
Reported tax expense	\$ 32,132,506	50.36%
Federal and foreign income taxes incurred	\$ 32,879,972	51.53%
Federal income tax on net capital gains	7,187	0.01%
Change in net deferred income taxes	(754,653)	-1.18%
Total statutory income taxes	\$ 32,132,506	50.36%

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

Federal net operating loss carryovers:

Year	Amount
2016	\$ 7,638
2015	\$ 85,453

The amount of federal income taxes incurred that will be available for recoupment in the event of future net losses is approximately:

Year	Amount
2016	\$ 7,638
2015	\$ 85,453

The Plan did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

(1) The Plan's federal income tax return is consolidated with the following entities:

A to Z In-Home Tutoring LLC	Molina Healthcare of South Carolina, LLC
AmericanWork, Inc.	Molina Healthcare of Texas Insurance Company
Camelot Care Centers, Inc.	Molina Healthcare of Texas, Inc.
Children's Behavioral Health, Inc.	Molina Healthcare of Utah, Inc.
Choices Group, Inc.	Molina Healthcare of Virginia, Inc.
College Community Services	Molina Healthcare of Washington, Inc.
Dockside Services, Inc.	Molina Healthcare of Wisconsin, Inc.
Family Preservation Services of Florida, Inc.	Molina Healthcare, Inc.
Family Preservation Services of North Carolina, Inc.	Molina Holdings Corporation (f/k/a Molina Healthcare of New York, Inc.)
Family Preservation Services of Washington, D.C., Inc.	Molina Hospital Management, Inc
Family Preservation Services of West Virginia, Inc.	Molina Information Systems, LLC
Family Preservation Services, Inc.	Molina Medical Management, Inc.
Integrated Care Alliance, LLC (f/k/a Synergy Partners, LLC)	Molina Pathways of Ohio, LLC
Maple Star Nevada, Inc.	Molina Pathways of Texas, Inc.
Maple Star Oregon, Inc.	Molina Pathways, LLC
Molina Clinical Services, LLC	Molina Personal Care of South Carolina, Inc.
Molina Dental & Vision Services, LLC	Molina Personal Care of Texas, Inc.
Molina Health Plan Management, Inc.	Pathways Community Corrections, Inc.
Molina Healthcare Data Center, Inc.	Pathways Community Services LLC
Molina Healthcare of Arizona, Inc.	Pathways Community Services LLC
Molina Healthcare of California	Pathways Community Support of Texas, Inc.
Molina Healthcare of California Partner Plan, Inc.	Pathways Health and Community Support of Florida, Inc.
Molina Healthcare of Florida, Inc.	Pathways Health and Community Support, LLC
Molina Healthcare of Georgia, Inc.	Pathways Human Services, LLC
Molina Healthcare of Illinois, Inc.	Pathways of Alabama, Inc.
Molina Healthcare of Iowa, Inc.	Pathways of Arizona, Inc.
Molina Healthcare of Louisiana, Inc.	Pathways of Delaware, Inc.
Molina Healthcare of Maryland, Inc.	Pathways of Idaho LLC
Molina Healthcare of Michigan, Inc.	Pathways of Maine, Inc.
Molina Healthcare of Mississippi, Inc.	Pathways of Massachusetts LLC
Molina Healthcare of Nevada, Inc.	Pathways of Oklahoma, Inc.

NOTES TO FINANCIAL STATEMENTS

Molina Healthcare of New Mexico, Inc.	Pathways of Washington, Inc.
Molina Healthcare of New York, Inc. (f/k/a Today's Options of New York, Inc.)	Raystown Developmental Services, Inc.
Molina Healthcare of North Carolina, Inc.	Rio Grande Management Company, L.L.C.
Molina Healthcare of Ohio, Inc.	The RedCo Group, Inc.
Molina Healthcare of Oklahoma, Inc.	Transitional Family Services, Inc.
Molina Healthcare of Pennsylvania, Inc.	W.D. Management, L.L.C.
Molina Healthcare of Puerto Rico, Inc.	

(2) Molina and its subsidiaries, including the Plan, file a consolidated federal income tax return. Under a written intercompany tax-sharing agreement with Molina, approved by the Plan's board of directors, the combined federal income tax is allocated to each entity which is a party to the consolidation. Molina collects from, or refunds to, the subsidiaries the amount of taxes or benefits determined as if each entity filed separate tax returns. Under the tax-sharing agreement, the Plan has an enforceable right to recoup federal income taxes paid in prior years in the event of future net losses or to recoup net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany balances are settled within 90 days of filing the consolidated federal income tax return.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Plan does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. The Plan is a wholly owned subsidiary of Molina. Molina and its subsidiaries provide quality managed care to people receiving government assistance. Molina offers healthcare services for persons served by Medicaid, Medicare, and the Marketplace, and products to assist government agencies in their administration of the Medicaid program. Molina has wholly owned operating subsidiaries in various states as indicated in Schedule Y, Parts 1 and 1A.
- B., C. The Plan neither paid dividends to, nor received contributions from Molina during the year ended December 31, 2016.
- The Plan has an agreement with Molina whereby Molina provides certain management services to the Plan. Expenses incurred relating to this agreement amounted to \$98.0 million and \$72.8 million for the years ended December 31, 2016 and 2015, respectively.
- The Plan leases office space from Molina Healthcare of California, a subsidiary of Molina. Rental payments for this lease amounted to \$1.9 million and \$1.4 million for the years ended December 31, 2016 and 2015, respectively.
- D. As of December 31, 2016, amounts due to Molina and affiliates totaled \$3.0 million. Intercompany receivables and payables are generally settled on a monthly basis.
- E. The Plan is not a guarantor and does not participate in any undertakings.
- F. The Plan has a services agreement with Molina, as described in Note 10.C. above.
- G. As indicated in Note 10.A. above, the Plan is a wholly owned subsidiary of Molina. The entities under common ownership of Molina are indicated in Schedule Y, Parts 1 and 1A.
- H. Amount deducted from the value of an upstream intermediate entity or ultimate parent owned: None.
- I. Investment in subsidiary, controlled or affiliated ("SCA") entity that exceeds 10% of the admitted assets of the insurer: None.
- J. Investment in impaired SCA entities: None.
- K. Investment in foreign subsidiary: None.
- L. Investment in downstream noninsurance holding company: None.
- M. All SCA investments: None.
- N. Investment in Insurance SCAs: None.

Note 11 – Debt

None.

Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

- A.-D. Defined Benefit Plan: Not applicable.
- E. Defined Contribution Plans: See Note 12.G. below.
- F. Multiemployer Plans: None.
- G. Consolidated/Holding Company Plans: The Plan's employees participate in a defined contribution 401(k) plan sponsored by Molina that covers substantially all full-time salaried and clerical employees. Eligible employees are allowed to contribute up to the maximum allowed by law. The Plan matches up to the first 4% of compensation contributed by the employees. The Plan has no legal obligation to provide benefits under the plan. The Plan's expense recognized in connection with the 401(k) plan was \$1,260,954 and \$850,561 for the years ended December 31, 2016 and 2015, respectively.
- H. Postemployment Benefits and Compensated Absences: No postemployment benefits and no unrecorded amounts for compensated absences.

NOTES TO FINANCIAL STATEMENTS

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17): None.

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- (1) The Plan has 200,000 shares of \$0 par value common stock authorized, 159,000 shares issued and outstanding.
- (2) Preferred stock: None.
- (3) Dividend restrictions: The laws of the state of Michigan limit the payment and declaration of extraordinary and ordinary dividends. As set forth in the Michigan Insurance Code, without prior approval of its insurance commissioner, dividends may only be paid from earned surplus. Extraordinary dividends must be approved by the Department.
- (4) Dividends paid by the Plan to Molina during 2016 were as follows: None.
- (5) Subject to the limitations of (3) above, no restrictions have been placed on the portion of the Plan’s profits that may be paid as ordinary dividends to Molina.
- (6) Restrictions placed on unassigned funds (surplus): None.
- (7) Advances to surplus not repaid: None.
- (8) Stock held for special purposes: None.
- (9) Changes in the balance of special surplus funds: The special surplus balance at December 31, 2015 represented the Plan’s estimated health insurer fee for 2016. Due to the moratorium on the health insurer fee for the 2017 calendar year, the Plan did not reclassify amounts to special surplus at December 31, 2016.
- (10) The portion of unassigned funds (surplus) represented or reduced by unrealized gains and losses: None.
- (11) Surplus debentures or similar obligations: None.
- (12) The impact of any restatement due to prior quasi-reorganizations: None.
- (13) The effective dates of all quasi-reorganizations in the prior 10 years: None.

Note 14 – Liabilities, Contingencies and Assessments

- A. Contingent Commitments
- (1) Total SSAP No. 97, *Investments in Subsidiary, Controlled, and Affiliated Entities*, A Replacement of SSAP No. 88, and SSAP No. 48, *Joint Ventures, Partnerships and Limited Liability Companies* contingent liabilities: None.
- (2), (3) Detail of other contingent commitments: None; the Plan is not a guarantor.
- B. Assessments: None.
- C. Gain Contingencies: None.
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits: None.
- E. Joint and Several Liabilities: None.
- F. All Other Contingencies: From time to time, the Plan may be involved in legal actions in the normal course of business, some of which involve a demand for both compensatory and punitive damages not covered by insurance. Currently, there are no pending or threatened actions which, to the knowledge and in the opinion of management and the Plan’s counsel, would have a material adverse effect on the Plan’s financial position, results of operations or cash flow.

Note 15 – Leases

- A. Lessee Operating Lease
- (1) The Plan leases office facilities and equipment under noncancelable long-term operating leases. Some of the leases contain escalation clauses and renewal options. Rental expense relating to these leases totaled \$2.1 million and \$1.4 million for the years ended December 31, 2016 and 2015, respectively.
- (2)
- | | | | |
|----|---|-------------------------|------------------|
| a. | At January 1, 2017 the minimum aggregate rental commitments are as follows: | | |
| | | Year Ending December 31 | Operating Leases |
| | 1. | 2017 | \$ 2,079,376 |
| | 2. | 2018 | \$ 2,149,937 |
| | 3. | 2019 | \$ 1,697,907 |
| | 4. | 2020 | \$ 147,719 |
| | 5. | 2021 | \$ 113,321 |
| | 6. | Total | \$ 6,188,260 |
- (3) Sale-leaseback transactions: None.
- B. Revenue, Net Income or Assets with Respect to Leases: None.

NOTES TO FINANCIAL STATEMENTS

Note 16 – Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

The Plan has no financial instruments with off-balance-sheet risk.

Financial instruments that potentially subject the Plan to concentrations of credit risk consist primarily of cash, short-term investments, bonds and receivables. The Plan’s investments are managed by professional portfolio managers operating under documented investment guidelines. Concentrations of credit risk with respect to receivables is limited because the Plan’s primary payors are the state of Michigan and CMS.

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfers of Receivables Reported as Sales: None.
- B. Transfer and Servicing of Financial Assets: None.
- C. Wash Sales: None.

Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Portion of Partially Insured Plans

- A. ASO Plans: None.
- B. ASC Plans: None.
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract: The Medicare Part D program is a partially insured plan. The Plan recorded amounts receivable of \$0.3 million and \$3.6 million and a payable of \$3.9 million and \$0.0 million relating to uninsured plans at December 31, 2016 and 2015, respectively, for cost reimbursements under the Medicare Part D program.

Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable.

Note 20 – Fair Value Measurements

- A.
 - (1) Fair Value Measurements at Reporting Date

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Bonds	\$	\$ 480,000	\$	\$ 480,000
Total	\$	\$ 480,000	\$	\$ 480,000

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
None	\$	\$	\$	\$
Total	\$	\$	\$	\$
 - (2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy: None.
 - (3) Policy for determining when transfers between levels are recognized: The actual date of the event or change in circumstances that caused the transfer.
 - (4) For fair value measurements categorized within Level 2 and Level 3 of the fair value hierarchy, a description of the valuation techniques follows:

Level 2: Level 2 financial instruments include investments that are traded frequently though not necessarily daily. Fair value for these securities is determined using a market approach based on quoted prices for similar securities in active markets or quoted prices for identical securities in inactive markets.
 - (5) Derivative assets and liabilities: None.
- B. In addition to bonds and short-term investments (see below), the Plan’s statutory basis balance sheets typically include the following financial instruments: investment income due and accrued, federal income tax recoverable (payable), receivables, and current liabilities. The Plan believes the carrying amounts of these financial instruments approximate the fair value of these financial instruments because of the relatively short period of time between the origination of the instruments and their expected realization or payment.
- C. Aggregate Fair Value Hierarchy

The aggregate fair value by hierarchy of all financial instruments as of December 31, 2016 and 2015 is presented in the table below:

2016:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Certificates of deposit	\$ 12,480,000	\$ 12,480,000	\$ -	\$ 12,480,000	\$	\$
Corporate debt securities	180,853,780	180,977,333	-	180,853,780		

NOTES TO FINANCIAL STATEMENTS

Government-sponsored enterprise securities	40,800,985	40,844,285	40,800,985	-		
Money market funds	10,311,689	10,311,689	10,311,689	-		
Municipal securities	6,440,072	6,463,705	-	6,440,072		
Total bonds and short-term investments	250,886,526	251,077,012	51,112,674	199,773,852		

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Certificates of deposit	\$ 15,271,622	\$ 15,284,575	\$	\$ 15,271,622	\$	\$
Corporate debt securities	159,556,405	160,061,810		159,556,405		
Government-sponsored enterprise securities	23,641,363	23,674,094	23,641,363			
Money market funds	96,273,667	96,273,667	96,273,667			
Municipal securities	13,276,248	13,295,488		13,276,248		
Total bonds and short-term investments	308,019,305	308,589,634	119,915,030	188,104,275		

D. Not Practicable to Estimate Fair Value: Not applicable.

Note 21 – Other Items

- A. Unusual or Infrequent Items: None.
- B. Troubled Debt Restructuring Debtors: None.
- C. Other Disclosures and Unusual Items:

The state of Michigan is participating in CMS’s dual eligible demonstration to integrate Medicare and Medicaid services for dual eligible individuals. The Plan refers to the demonstration as its Medicare-Medicaid Plan (“MMP”) implementation. Results for the Medicare component of the MMP have been reported under the Medicare category, and results for the Medicaid component of the MMP have been reported under the Medicaid category. Ending membership and member months for MMP enrollees have been reported under the Medicare category.
- D. Business Interruption Insurance Recoveries: None.
- E. State Transferable and Non-Transferable Tax Credits: None.
- F. Subprime Mortgage Related Risk Exposure: None.
- G. Retained Assets: None.
- H. Insurance-Linked Securities (ILS) Contracts: None.

Note 22 – Events Subsequent

- A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?

Yes [X] No []
- B. ACA fee assessment payable for the upcoming year

\$ 0 \$ 26,300,000
- C. ACA fee assessment paid

26,030,417 19,605,459
- D. Premium written subject to ACA 9010 assessment

0 1,371,000,000
- E. Total adjusted capital before surplus adjustment (Five-Year Historical Line 14)

172,301,851
- F. Total adjusted capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)

172,301,851
- G. Authorized control level (Five-Year Historical Line 15)

\$ 50,198,836
- H. Would reporting the ACA assessment as of December 31, 2016 have triggered an RBC action level (YES/NO)?

Yes [] No [X]

With the exception of the subsequent event disclosed above, there were no recognized or unrecognized events occurring subsequent to the close of the books that would have a material effect on the Plan’s financial condition. Subsequent events were considered through February 28, 2017, for the statutory statement available to be issued on February 28, 2017.

Note 23 – Reinsurance

- A. Ceded Reinsurance Report
- Section 1 – General Interrogatories
- (1) Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the plan or by any representative, officer, trustee, or director of the company? No.
- (2) Have any policies issued by the plan been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business? No.

NOTES TO FINANCIAL STATEMENTS

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the plan have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? No.
- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? No.

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the plan may consider the current or anticipated experience of the business reinsured in making this estimate. \$0
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the plan as of the effective date of the agreement? No.

- B. Uncollectible Reinsurance: None.
- C. Commutation of Ceded Reinsurance: None.
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: None.

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

A.- C. Based on member encounter data that the Plan submits to CMS, Medicare premiums are subject to retroactive increase or decrease based upon member medical conditions for up to two years after the original year of service. The Plan estimates the amount of Medicare revenue that will ultimately be realized for the periods presented based on its knowledge of its members' health care utilization patterns and CMS practices. Based on the Plan's knowledge of member health care utilization patterns and expenses, the Plan recorded a net payable of approximately \$1.1 million and \$2.4 million as of December 31, 2016 and 2015, respectively, related to its contracts with CMS. The Plan had net premiums written of \$288.4 million and \$225.9 million for its Medicare business for the years ended December 31, 2016 and 2015, representing 13.7% and 15.3% of total net premiums written in 2016 and 2015, respectively.

The Plan began serving members through the Marketplace in January 2014. Under the risk sharing provisions of the ACA, Marketplace premiums are subject to redetermination through the risk adjustment program in which the risk scores of enrollees are used to determine the final premium amount. In addition, Marketplace premiums are subject to retrospective rating through the risk corridor program in which the Plan and the Federal government share in loss experience above or below a specified range. The Plan estimates accrued retrospective premium adjustments for its Marketplace business through a mathematical approach with inputs that may include premiums, claims costs, administrative expenses, reinsurance recoveries, and risk adjustment transfer payments. The Plan recorded a net payable of approximately \$1.9 million and \$1.3 million as of December 31, 2016 and 2015, respectively, related to its Marketplace business. The Plan had net premiums written of \$10.0 million and \$3.9 million for its Marketplace business for the years ended December 31, 2016 and 2015, representing 0.5% and 0.3% of the total net premiums written in 2016 and 2015, respectively.

The Plan is subject to a medical loss ratio corridor for certain Medicaid business relating to dates of service on or prior to December 31, 2015. The Plan recorded a net payable of \$8.7 million and \$8.6 million as of as of December 31, 2016 and 2015, respectively, relating to this provision.

The Plan records accrued retrospective premium as an adjustment to earned premium.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act.

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$	\$	\$	\$	\$
(2) Medical loss ratio rebates paid					
(3) Medical loss ratio rebates unpaid					
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ 189,206	\$	\$	\$	\$ 189,206
(8) Medical loss ratio rebates paid					
(9) Medical loss ratio rebates unpaid	189,206				189,206
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	189,206

E. Risk Sharing Provisions of the Affordable Care Act

- (1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions
- Yes [X] No []

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year:

a.	Permanent ACA Risk Adjustment Program	AMOUNT
	Assets	
1.	Premium adjustments receivable due to ACA Risk Adjustment	\$
	Liabilities	
2.	Risk adjustment user fees payable for ACA Risk Adjustment	6,371
3.	Premium adjustments payable due to ACA Risk Adjustment	1,180,041
	Operations (Revenue & Expenses)	

NOTES TO FINANCIAL STATEMENTS

	4.	Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment		(1,040,761)
	5.	Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	\$	(6,366)
b.	Transitional ACA Reinsurance Program			
	Assets			
	1.	Amounts recoverable for claims paid due to ACA Reinsurance	\$	42,555
	2.	Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)		
	3.	Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance		
	Liabilities			
	4.	Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium		18,144
	5.	Ceded reinsurance premiums payable due to ACA Reinsurance		72,576
	6.	Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	\$	
	Operations (Revenue & Expenses)			
	7.	Ceded reinsurance premiums due to ACA Reinsurance	\$	(72,575)
c.	8.	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments		2,222
	9.	ACA Reinsurance contributions – not reported as ceded premium	\$	(18,145)
	Temporary ACA Risk Corridors Program			
	Assets			
	1.	Accrued retrospective premium due to ACA Risk Corridors	\$	
	Liabilities			
	2.	Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors		545,453
	Operations (Revenue & Expenses)			
	3.	Effect of ACA Risk Corridors on net premium income (paid/received)		(239,138)
	4.	Effect of ACA Risk Corridors on change in reserves for rate credits	\$	93,575

(3) Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance:

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
					5	6	7	8		9	10
	1	2	3	4	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a.	Permanent ACA Risk Adjustment Program										
	1.	Premium adjustments receivable	\$ 124	\$	\$ 124	\$	\$	\$	\$	A	\$
	2.	Premium adjustments (payable)		(628,825)		(489,546)		(139,279)	139,279	B	
	3.	Subtotal ACA Permanent Risk Adjustment Program	\$ 124	\$ (628,825)	\$ 124	\$ (489,546)	\$	\$ (139,279)	\$ 139,279	\$	\$
b.	Transitional ACA Reinsurance Program										
	1.	Amounts recoverable for claims paid	\$ 71,569	\$	\$ 96,544	\$	(24,975)	\$	36,875	C	\$ 11,900
	2.	Amounts recoverable for claims unpaid (contra liability)	65,308			65,308		(65,308)		D	
	3.	Amounts receivable relating to uninsured plans								E	
	4.	Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premiums		(12,573)		(12,573)				F	
	5.	Ceded reinsurance premiums payable		(37,719)		(37,719)				G	
	6.	Liability for amounts held under uninsured plans								H	
	7.	Subtotal ACA Transitional Reinsurance Program	\$ 136,877	\$ (50,292)	\$ 96,544	\$ (50,292)	\$ 40,333	\$	(28,433)	\$	11,900
c.	Temporary ACA Risk Corridors Program										
	1.	Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	I	\$
	2.	Reserve for rate credits or policy experience rating refunds		(639,028)		(239,138)		(399,890)	399,890	J	
	3.	Subtotal ACA Risk Corridors Program		(639,028)		(239,138)		(399,890)	399,890		
d.	Total for ACA Risk Sharing Provisions		\$ 137,001	\$ (1,318,145)	\$ 96,668	\$ (778,976)	\$ 40,333	\$ (539,169)	\$ (28,433)	\$ 539,169	\$ 11,900

Explanations of Adjustments

- B. Adjusted to reflect the final settlement amount communicated by CMS in June 2016.
- C. Adjusted as a result of additional paid claims and to reflect the final settlement amount communicated by CMS in June 2016.
- D. Adjusted as a result of additional paid claims and to reflect the final settlement amount communicated by CMS in June 2016.
- J. Adjusted as a result of additional months of development and for final settlements related to risk adjustment and reinsurance.

(4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments	Prior Year Accrued Less Payments	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years	Cumulative Balance from Prior Years

NOTES TO FINANCIAL STATEMENTS

						(Col. 1-3)	(Col. 2-4)			(Col. 1-3+7)	(Col. 2-4+8)	
		1	2	3	4	5	6	7	8		9	10
		Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a.	2014											
	1.	Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
	2.	Reserve for rate credits for policy experience rating refunds								B		
b.	2015											
	1.	Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
	2.	Reserve for rate credits for policy experience rating refunds		(639,028)	(239,138)		(399,890)		(399,890)	D		
c.	2016											
	1.	Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
	2.	Reserve for rate credits or policy experience rating refunds								F		
d.	Total for Risk Corridors		\$	\$ (639,028)	\$ (239,138)	\$	\$ (399,890)	\$	\$ 399,890		\$	\$

D. Adjusted as a result of additional months of development and for final settlements related to risk adjustment and reinsurance.

(5) ACA Risk Corridors Receivable as of Reporting Date: The plan had no ACA risk corridor receivable for periods from 2014 to 2016.

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

The change in prior year estimated claims reserves represents favorable development in claims experience. Original estimates are increased or decreased as additional information becomes known regarding incurred reported claims. Claims unpaid activity during the periods indicated is summarized below:

	Year ended 12/31/2016	Year ended 12/31/2015
Unpaid claims liabilities, accrued medical incentives, and claims adjustment expenses, beginning of period	\$ 203,552,456	\$ 117,425,893
Add provision for claims, net of reinsurance:		
Current year	1,739,774,075	1,168,188,784
Prior years	(10,701,517)	(9,581,133)
Net incurred claims during the current year	1,729,072,558	1,158,607,651
Deduct paid claims, net of reinsurance:		
Current year	1,499,798,694	979,755,893
Prior years	185,150,004	102,554,014
Net paid claims during the current year	1,684,948,698	1,082,309,907
Change in claims adjustment expenses	377,244	790,773
Change in health care receivables	8,578,681	7,532,143
Change in amounts due from reinsurers	(1,469,014)	1,505,903
Unpaid claims liabilities, accrued medical incentives, and claims adjustment expenses, end of period	\$ 255,163,227	\$ 203,552,456

Note 26 – Intercompany Pooling Arrangements

None.

Note 27 – Structured Settlements

Not Applicable

Note 28 – Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days After Billing
12/31/2016	\$ 8,852,173	\$ -	\$ -	\$	\$
09/30/2016	9,070,263	-	-		
06/30/2016	17,922,436	-	-	7,707,633	
03/31/2016	7,054,440	-	-	7,776,877	-
12/31/2015	6,551,103	-	-	4,600,004	2,077,074
09/30/2015	4,255,128	-	-	4,601,298	1,746,596
06/30/2015	4,205,145	-	-	4,033,193	576,698
03/31/2015	2,601,230	-	-	2,596,945	963,651
12/31/2014	2,847,776	-	-	2,154,278	776,148
09/30/2014	2,780,557	-	-	1,841,481	859,099
06/30/2014	2,307,154	-	-	2,338,276	20,641
03/31/2014	2,058,641	-	-	1,507,115	606,262

B. Risk Sharing Receivables: None

NOTES TO FINANCIAL STATEMENTS

Note 29 – Participating Policies

None.

Note 30 – Premium Deficiency Reserves

1.

Liability carried for premium deficiency reserve:

\$0
2.

Date of most recent evaluation of this liability:

December 31, 2016
3.

Was anticipated investment income utilized in the calculation?

Yes [X] No []

Note 31 – Anticipated Salvage and Subrogation

None.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes ☒ No ☐

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐

1.3

State regulating? Michigan

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2015

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2011

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/01/2013

3.4

By what department or departments?
State of Michigan - Department of Insurance and Financial Services

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

Yes ☐ No ☐ N/A ☒

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☐ No ☐ N/A ☒

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11

sales of new business?

Yes ☐ No ☒

4.12

renewals?

Yes ☐ No ☒

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21

sales of new business?

Yes ☐ No ☒

4.22

renewals?

Yes ☐ No ☒

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒

5.2

If yes, provide the name of entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒

7.2

If yes,

7.21

State the percentage of foreign control

%

7.22

State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1	2
Nationality	Type of Entity

8.1

Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board?

Yes ☐ No ☒

8.2

If response to 8.1 is yes, please identify the name of the bank holding company.

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒

8.4

If the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Grant Thornton LLP, 90 State House Square, 10th Floor, Hartford, CT 06103

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes ☐ No ☒

10.2

If the response to 10.1 is yes, provide information related to this exemption:

10.3

Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes ☐ No ☒

10.4

If the response to 10.3 is yes, provide information related to this exemption:

10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes ☐ No ☒ N/A ☐

10.6

If the response to 10.5 is no or n/a, please explain:
The Company is a direct wholly owned subsidiary of Molina Healthcare, Inc. ("Molina") Molina is a publicly traded company and is subject to compliance with the Sarbanes-Oxley Act. An Audit Committee is maintained at the Corporate level (Molina).

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Brian Goebel, FSA, MAAA, 200 Oceangate, Suite 100, Long Beach, CA 90802. Employee of the reporting entity.
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]
- 12.11

Name of real estate holding company
- 12.12

Number of parcels involved

0
- 12.13

Total book/adjusted carrying value

\$0
- 12.2

If yes, provide explanation
13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []
- 13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []
- 13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] N/A []
- 14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []
- (a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c)

Compliance with applicable governmental laws, rules and regulations;
- (d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e)

Accountability for adherence to the code.
- 14.11

If the response to 14.1 is no, please explain:
- 14.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1

Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes [] No [X]
- 15.2

If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	Amount

BOARD OF DIRECTORS

16.

Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof?

Yes [X] No []
17.

Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes [X] No []
18.

Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes [X] No []

FINANCIAL

19.

Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes [] No [X]
- 20.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11

To directors or other officers

\$0
- 20.12

To stockholders not officers

\$0
- 20.13

Trustees, supreme or grand (Fraternal only)

\$0
- 20.2

Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21

To directors or other officers

\$0
- 20.22

To stockholders not officers

\$0
- 20.23

Trustees, supreme or grand (Fraternal only)

\$0
- 21.1

Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement?

Yes [] No [X]
- 21.2

If yes, state the amount thereof at December 31 of the current year:
- 21.21

Rented from others

\$
- 21.22

Borrowed from others

\$
- 21.23

Leased from others

\$
- 21.24

Other

\$
- 22.1

Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes [X] No []
- 22.2

If answer is yes:
- 22.21

Amount paid as losses or risk adjustment

\$124
- 22.22

Amount paid as expenses

\$412,425
- 22.23

Other amounts paid

\$
- 23.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [] No [X]
- 23.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

24.01

Were all of stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)?

Yes ☒ No ☐

24.02

If no, give full and complete information, relating thereto:

24.03

For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04

Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*?

Yes ☐ No ☐ N/A ☒

24.05

If answer to 24.04 is yes, report amount of collateral for conforming programs.

\$

24.06

If answer to 24.04 is no, report amount of collateral for other programs

\$

24.07

Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes ☐ No ☐ N/A ☒

24.08

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes ☐ No ☐ N/A ☒

24.09.

Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

Yes ☐ No ☐ N/A ☒

24.10

For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101

Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:

\$0

24.102

Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:

\$0

24.103

Total payable for securities lending reported on the liability page:

\$0

25.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)

Yes ☒ No ☐

25.2

If yes, state the amount thereof at December 31 of the current year:

25.21

Subject to repurchase agreements

\$0

25.22

Subject to reverse repurchase agreements

\$0

25.23

Subject to dollar repurchase agreements

\$0

25.24

Subject to reverse dollar repurchase agreements

\$0

25.25

Placed under option agreements

\$0

25.26

Letter stock or securities restricted as sale – excluding FHLB Capital Stock

\$0

25.27

FHLB Capital Stock

\$0

25.28

On deposit with states

\$1,014,052

25.29

On deposit with other regulatory bodies

\$0

25.30

Pledged as collateral – excluding collateral pledged to an FHLB

\$0

25.31

Pledged as collateral to FHLB – including assets backing funding agreements

\$0

25.32

Other

\$0

25.3

For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		\$

26.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes ☐ No ☒

26.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes ☐ No ☐ N/A ☒

27.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes ☐ No ☒

27.2

If yes, state the amount thereof at December 31 of the current year:

\$

28.

Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes ☒ No ☐

28.01

For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Oppenheimer Trust Company	18 Columbia Turnpike Florham Park NJ, 07932
UBS Financial Services	1000 Harbor Blvd Weehawken, NJ 07086

28.02

For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03

Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes ☐ No ☒

28.04

If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05

Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts", "... handle securities"].

1 Name of Firm or Individual	2 Affiliation
Oppenheimer & Company	U

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

UBS Financial Services	U
------------------------	---

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?

Yes ☒ No ☐

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets?

Yes ☒ No ☐

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
249	Oppenheimer & Company		SEC	NO
8174	UBS Financial Services		SEC	NO

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes ☐ No ☒

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999	TOTAL	

29.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

		1	2	3
		Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	247,492,750	247,302,264	(190,486)
30.2	Preferred Stocks	0	0	0
30.3	Totals	247,492,750	247,302,264	(190,486)

30.4 Describe the sources or methods utilized in determining the fair values:

Fair values are provided by third party vendor, Clearwater Analytics, who uses unit prices published by the Securities Valuation Office of the NAIC (SVO) when available. For securities not priced by the SVO Clearwater Analytics receives pricing from S&P Capital IQ Pricing. Securities with short maturities and infrequent secondary market trades such as Commercial Paper and Certificates of Deposit, Clearwater will cacluate prices by accreting the purchase price to face value at maturity.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes ☐ No ☒

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes ☐ No ☐

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?

Yes ☒ No ☐

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?

\$414,286

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Michigan Association of Health Plans	\$414,286

34.1 Amount of payments for legal expenses, if any?

\$0

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	\$

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?

\$0

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
	\$

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [☐]

No [☒]

1.2

If yes, indicate premium earned on U.S. business only.

\$

0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

0

1.31

Reason for excluding:

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$

0

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$

0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$

0

1.62

Total incurred claims

\$

0

1.63

Number of covered lives

\$

0

All years prior to most current three years:

1.64

Total premium earned

\$

0

1.65

Total incurred claims

\$

0

1.66

Number of covered lives

\$

0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$

0

1.72

Total incurred claims

\$

0

1.73

Number of covered lives

\$

0

All years prior to most current three years:

1.74

Total premium earned

\$

0

1.75

Total incurred claims

\$

0

1.76

Number of covered lives

\$

0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$

2,107,747,236

\$

1,480,688,554

2.2

Premium Denominator

\$

2,107,747,236

\$

1,480,688,554

2.3

Premium Ratio (2.1/2.2)

\$

100.000

\$

100.000

2.4

Reserve Numerator

\$

270,518,723

\$

215,791,020

2.5

Reserve Denominator

\$

270,518,723

\$

215,791,020

2.6

Reserve Ratio (2.4/2.5)

\$

100.000

\$

100.000

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [☐]

No [☒]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [☒]

No [☐]

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [☐]

No [☒]

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [☒]

No [☐]

5.2

If no, explain:

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$

1,167,500

5.32

Medical Only

\$

0

5.33

Medicare Supplement

\$

0

5.34

Dental and Vision

\$

0

5.35

Other Limited Benefit Plan

\$

0

5.36

Other

\$

0

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

28

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

The Company is insured under an annual HMO excess risk reinsurance agreement effective 1/1/16-12/31/16 with RGA Reinsurance Company. Subscribers are also protected against the Company's insolvency through provider agreements, evidence of coverage, and/or member handbooks

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [X] No []

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

27,646

8.2

Number of providers at end of reporting year

30,281

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees with rate guarantees between 15-36 months

\$ 0

9.22

Business with rate guarantees over 36 months

\$ 0

10.1

Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

Yes [X] No []

10.2

If yes:

10.21

Maximum amount payable bonuses

\$ 19,466,059

10.22

Amount actually paid for year bonuses

\$ 9,352,524

10.23

Maximum amount payable withholds

\$ 0

10.24

Amount actually paid for year withholds

\$ 0

11.1

Is the reporting entity organized as:

11.12

A Medical Group/Staff Model,

Yes [] No [X]

11.13

An Individual Practice Association (IPA), or,

Yes [] No [X]

11.14

A Mixed Model (combination of above)?

Yes [X] No []

11.2

Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?

Yes [X] No []

11.3

If yes, show the name of the state requiring such minimum capital and surplus.
Michigan

11.4

If yes, show the amount required.

\$ 100,397,672

11.5

Is this amount included as part of a contingency reserve in stockholder's equity?

Yes [] No [X]

11.6

If the amount is calculated, show the calculation
RBC 200% Authorized Control Level

12.

List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Alcona, Allegan, Alpena, Antrim, Arenac, Barry,
Bay, Benzie, Berrien, Branch, Calhoun, Cass,
Charlevoix, Cheboygan, Clare, Clinton, Crawford, Eaton,
Emmet, Genesee, Gladwin, Grand Traverse
Gratiot, Hillsdale, Huron, Ingham, Ionia, Iosco,
Isabella, Jackson, Kalamazoo, Kalkaska, Kent,
Lake, Lapeer, Leelanau, Lenawee, Livingston,
Macomb, Manistee, Mason, Mecosta, Midland,
Missaukee, Monroe, Montcalm, Montmorency,
Muskegon, Newaygo, Oakland, Oceana, Ogemaw, Osceola,
Oscoda, Otsego, Ottawa, Presque Isle, Roscommon,
Saginaw, Saint Joseph, Saint Claire, Sanilac
Shiawassee, Tuscola, Van Buren, Washtenaw,
Wayne, Wexford

13.1

Do you act as a custodian for health savings accounts?

Yes [] No [X]

13.2

If yes, please provide the amount of custodial funds held as of the reporting date.

\$ 0

13.3

Do you act as an administrator for health savings accounts?

Yes [] No [X]

13.4

If yes, please provide the balance of the funds administered as of the reporting date.

\$ 0

14.1

Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?

Yes [] No [] N/A [X]

14.2

If the answer to 14.1 is yes, please provide the following:

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
	0		\$	\$	\$	\$

15.

Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).

15.1

Direct Premium Written

\$ 0

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

15.2 Total Incurred Claims

\$	0
----	---

15.3 Number of Covered Lives

	0
--	---

*Ordinary Life Insurance Includes
Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary guarantee)
Universal Life (with or without secondary guarantee)
Variable Universal Life (with or without secondary guarantee)

FIVE-YEAR HISTORICAL DATA

	1 2016	2 2015	3 2014	4 2013	5 2012
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28).....	476,924,474	375,975,829	254,548,256	193,671,094	174,431,437
2. Total liabilities (Page 3, Line 24).....	304,622,623	237,251,057	129,417,741	91,012,577	93,891,014
3. Statutory minimum capital and surplus requirement.....	100,397,672	67,804,626	50,516,764	51,459,270	50,763,184
4. Total capital and surplus (Page 3, Line 33).....	172,301,851	138,724,772	125,130,515	102,658,517	80,540,423
Income Statement Items (Page 4)					
5. Total revenues (Line 8).....	2,104,804,278	1,467,933,626	1,059,675,436	883,384,967	841,177,957
6. Total medical and hospital expenses (Line 18).....	1,729,072,558	1,158,607,651	859,859,505	755,075,548	730,465,674
7. Claims adjustment expenses (Line 20).....	52,515,212	36,101,448	24,732,752	22,354,521	22,358,285
8. Total administrative expenses (Line 21).....	262,203,765	181,299,966	126,670,794	77,645,947	73,378,611
9. Net underwriting gain (loss) (Line 24).....	61,012,743	91,924,561	48,412,385	28,979,261	14,649,874
10. Net investment gain (loss) (Line 27).....	2,791,484	1,223,494	551,834	456,333	852,824
11. Total other income (Lines 28 plus 29).....			(35,459)	(16,748)	
12. Net income or (loss) (Line 32).....	30,924,255	53,764,624	26,719,674	18,550,126	9,375,405
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	74,897,388	136,906,614	58,420,361	18,949,627	13,071,413
Risk-Based Capital Analysis					
14. Total adjusted capital.....	172,301,851	138,724,772	125,130,515	102,658,517	80,540,423
15. Authorized control level risk-based capital.....	50,198,836	33,902,313	25,258,382	25,729,635	25,381,852
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7).....	391,148	327,904	242,022	212,837	220,377
17. Total member months (Column 6, Line 7).....	4,722,341	3,364,827	2,802,163	2,581,007	2,639,337
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5).....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19).	82.1	78.9	81.1	85.5	86.8
20. Cost containment expenses.....	2.2	2.2	2.0	2.2	2.4
21. Other claims adjustment expenses.....	0.3	0.3	0.3	0.3	0.3
22. Total underwriting deductions (Line 23).....	97.1	93.7	95.4	96.7	98.3
23. Total underwriting gain (loss) (Line 24).....	2.9	6.3	4.6	3.3	1.7
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5).....	178,147,913	112,747,913	74,991,443	76,702,683	74,047,646
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	187,468,447	109,664,797	83,216,790	81,370,572	78,023,866
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....					
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1).....					
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1).....					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10).....					
30. Affiliated mortgage loans on real estate.....					
31. All other affiliated.....					
32. Total of above Lines 26 to 31.....	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above.....					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama.....AL	N.....							.....0	
2.	Alaska.....AK	N.....							.....0	
3.	Arizona.....AZ	N.....							.....0	
4.	Arkansas.....AR	N.....							.....0	
5.	California.....CA	N.....							.....0	
6.	Colorado.....CO	N.....							.....0	
7.	Connecticut.....CT	N.....							.....0	
8.	Delaware.....DE	N.....							.....0	
9.	District of Columbia.....DC	N.....							.....0	
10.	Florida.....FL	N.....							.....0	
11.	Georgia.....GA	N.....							.....0	
12.	Hawaii.....HI	N.....							.....0	
13.	Idaho.....ID	N.....							.....0	
14.	Illinois.....IL	N.....							.....0	
15.	Indiana.....IN	N.....							.....0	
16.	Iowa.....IA	N.....							.....0	
17.	Kansas.....KS	N.....							.....0	
18.	Kentucky.....KY	N.....							.....0	
19.	Louisiana.....LA	N.....							.....0	
20.	Maine.....ME	N.....							.....0	
21.	Maryland.....MD	N.....							.....0	
22.	Massachusetts.....MA	N.....							.....0	
23.	Michigan.....MI	L.....	10,091,845	288,467,635	1,809,779,007				2,108,338,487	
24.	Minnesota.....MN	N.....							.....0	
25.	Mississippi.....MS	N.....							.....0	
26.	Missouri.....MO	N.....							.....0	
27.	Montana.....MT	N.....							.....0	
28.	Nebraska.....NE	N.....							.....0	
29.	Nevada.....NV	N.....							.....0	
30.	New Hampshire.....NH	N.....							.....0	
31.	New Jersey.....NJ	N.....							.....0	
32.	New Mexico.....NM	N.....							.....0	
33.	New York.....NY	N.....							.....0	
34.	North Carolina.....NC	N.....							.....0	
35.	North Dakota.....ND	N.....							.....0	
36.	Ohio.....OH	N.....							.....0	
37.	Oklahoma.....OK	N.....							.....0	
38.	Oregon.....OR	N.....							.....0	
39.	Pennsylvania.....PA	N.....							.....0	
40.	Rhode Island.....RI	N.....							.....0	
41.	South Carolina.....SC	N.....							.....0	
42.	South Dakota.....SD	N.....							.....0	
43.	Tennessee.....TN	N.....							.....0	
44.	Texas.....TX	N.....							.....0	
45.	Utah.....UT	N.....							.....0	
46.	Vermont.....VT	N.....							.....0	
47.	Virginia.....VA	N.....							.....0	
48.	Washington.....WA	N.....							.....0	
49.	West Virginia.....WV	N.....							.....0	
50.	Wisconsin.....WI	N.....							.....0	
51.	Wyoming.....WY	N.....							.....0	
52.	American Samoa.....AS	N.....							.....0	
53.	Guam.....GU	N.....							.....0	
54.	Puerto Rico.....PR	N.....							.....0	
55.	U.S. Virgin Islands.....VI	N.....							.....0	
56.	Northern Mariana Islands.....MP	N.....							.....0	
57.	Canada.....CAN	N.....							.....0	
58.	Aggregate Other alien.....OT	XXX.....	0	0	0	0	0	0	0	0
59.	Subtotal.....	XXX.....	10,091,845	288,467,635	1,809,779,007	0	0	0	2,108,338,487	0
60.	Reporting entity contributions for Employee Benefit Plans.....	XXX.....							0	
61.	Total (Direct Business).....	(a).....1	10,091,845	288,467,635	1,809,779,007	0	0	0	2,108,338,487	0

DETAILS OF WRITE-INS

58001. ....								.....0	
58002. ....								.....0	
58003. ....								.....0	
58998. Summary of remaining write-ins for line 58.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
58999. Total (Lines 58001 through 58003 + 58998).....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer; (E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc.

All premiums written within the state of Michigan.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

40

1531	DE	13-4204626	Molina Healthcare, Inc.
I-00000	DE	81-2824030	Molina Clinical Services, LLC
I-00000	AZ	30-0876771	Molina Healthcare of Arizona, Inc.
I-00000	CA	33-0342719	Molina Healthcare of California
I-00000	CA	20-2714545	Molina Healthcare of California Partner Plan, Inc.
I-00000	NM	45-2634351	Molina Healthcare Data Center, Inc.
I-13128	FL	26-0155137	Molina Healthcare of Florida, Inc.
I-15714	GA	80-0800257	Molina Healthcare of Georgia, Inc.
I-14104	IL	27-1823188	Molina Healthcare of Illinois, Inc.
I-00000	IA	47-3920055	Molina Healthcare of Iowa, Inc.
I-00000	LA	81-4229476	Molina Healthcare of Louisiana, Inc.
I-00000	MD	46-0598968	Molina Healthcare of Maryland, Inc.
I-52630	MI	38-3341599	Molina Healthcare of Michigan, Inc.
I-00000	MS	26-4390042	Molina Healthcare of Mississippi, Inc.
I-00000	NV	20-3567602	Molina Healthcare of Nevada, Inc.
I-95739	NM	85-0408506	Molina Healthcare of New Mexico, Inc.
I-00000	NC	46-4148278	Molina Healthcare of North Carolina, Inc.
I-12334	OH	20-0750134	Molina Healthcare of Ohio, Inc.
I-00000	OK	81-0864563	Molina Healthcare of Oklahoma, Inc.
I-00000	PA	81-0855820	Molina Healthcare of Pennsylvania, Inc.
I-15600	PR	66-0817946	Molina Healthcare of Puerto Rico, Inc.
I-15329	SC	46-2992125	Molina Healthcare of South Carolina, LLC
I-10757	TX	20-1494502	Molina Healthcare of Texas, Inc.
I-13778	TX	27-0522725	Molina Healthcare of Texas Insurance Company
I-95502	UT	33-0617992	Molina Healthcare of Utah, Inc.
I-15133	VA	26-1769086	Molina Healthcare of Virginia, Inc.
I-96270	WA	91-1284790	Molina Healthcare of Washington, Inc.
I-12007	WI	20-0813104	Molina Healthcare of Wisconsin, Inc.
I-00000	NY	47-3797019	Molina Health Plan Management, Inc.
I-00000	NY	27-1603200	Molina Healthcare of New York, Inc.
I-00000	NY	47-3580625	Molina Holdings Corporation
I-00000	CA	46-2821516	Molina Hospital Management, Inc.
I-00000	CA	27-1510177	Molina Information Systems, LLC (dba Molina Medicaid Solutions)
I-00000	CA	37-1652282	Molina Medical Management, Inc.
I-00000	CA	47-1446940	Easy Care MSO, LLC
I-00000	DE	45-2854547	Molina Pathways, LLC
I-00000	DE	81-1863393	Molina Dental and Vision Services, LLC

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

40.1

-00000	OH	47-4937011	Molina Pathways of Ohio, LLC
-00000	TX	47-2296708	Molina Pathways of Texas, Inc.
-00000	TX	47-2308753	Molina Personal Care of Texas, Inc.
-00000	SC	47-2373467	Molina Personal Care of South Carolina, Inc.
-00000	DE	47-2525144	Pathways Health and Community Support LLC
|-00000	DE	58-2478281	AmericanWork, Inc.
|-00000	NV	61-1436598	A to Z In-Home Tutoring LLC
|-00000	PA	20-2639439	Children's Behavioral Health, Inc.
|-00000	DE	88-0469530	Choices Group, Inc.
|-00000	CA	95-4864640	College Community Services
|-00000	IN	35-2085281	Dockside Services, Inc.
|-00000	VA	54-1620121	Family Preservation Services, Inc.
|-00000	FL	65-0848685	Family Preservation Services of Florida, Inc.
|-00000	NC	86-0976674	Family Preservation Services of North Carolina, Inc.
|-00000	DC	20-0086731	Family Preservation Services of Washington, D.C., Inc.
|-00000	WV	86-1035573	Family Preservation Services of West Virginia, Inc.
|-00000	NV	88-0321776	Maple Star Nevada, Inc.
|-00000	OR	93-1263318	Maple Star Oregon, Inc.
|-00000	DE	62-1651095	Pathways Community Corrections, Inc.
|-00000	IL	36-3465604	Camelot Care Centers, Inc.
|-00000	DE	33-0797276	Pathways Community Services LLC
|-00000	PA	23-2820336	Pathways Community Services LLC
|-00000	TX	74-2868929	Pathways Community Support of Texas, Inc.
|-00000	AZ	86-0706547	Pathways of Arizona, Inc.
|-00000	DE	59-3766748	Pathways of Delaware, Inc.
|-00000	DE	81-2396831	Pathways Human Services, LLC
|-00000	DE	46-5044433	Pathways of Idaho LLC
|-00000	ME	86-0970832	Pathways of Maine, Inc.
|-00000	DE	47-1016377	Pathways of Massachusetts LLC
|-00000	OK	74-2884198	Pathways of Oklahoma, Inc.
|-00000	WA	27-2837920	Pathways of Washington, Inc.
|-00000	PA	23-2181371	The RedCo Group, Inc.
|-00000	PA	25-1470445	Raystown Developmental Services, Inc.
|-00000	GA	58-1923779	Transitional Family Services, Inc.
-00000	MI	38-3611499	Integrated Care Alliance, LLC
I-00000	CA	46-5098489	Molina Youth Academy

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